

MONTANA
Department of
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GovernorEXHIBIT NO. 1DATE 3-23-07BILL NO. HT-12Nancy K. Peterson
Director

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FAX COVER SHEETDATE: March 23, 2007TO: Senator Ken Hansen

ORGANIZATION: _____

FAX NUMBER: (406) 444-4875FROM: Nancy K. Peterson
Director
Montana Department of AgriculturePAGES: 3 (includes cover page)**MESSAGE:**Senator Hansen

As we discussed, attached is
Director Peterson's testimony in favor
of HT17. Bill is scheduled to be
heard in your committee today @ 3pm.
Thanks,
Lesa Evers

Special Instructions (if any): _____

If you have difficulty receiving this fax, or have received it by error, please contact Lesa Evers at (406) 444-3144. Thank you.

SENATE COMMITTEE ON AGRICULTURE

House Joint Resolution 17

**Testimony of Nancy K. Peterson
Director, Montana Department of Agriculture**

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

For the record, my name is Nancy K. Peterson, director of the Montana Department of Agriculture. I am submitting my written testimony in favor of the passage of House Joint Resolution 17.

Legislation introduced in both houses of the 109th Congress had a very simple purpose: To place small meat processors in Montana and 27 other states on an equal regulatory footing with larger federally inspected processors AND the foreign companies that sell meat products in the United States. A law that has been on the books since 1967 prohibits state-inspected beef, poultry, pork, lamb and goat meat from being sold in interstate commerce ... even though the USDA's Food Safety Inspection Service must annually certify that state inspection programs are -- to quote the language in the law -- "at least equal to" the federal inspection requirements.

In our view, this is a simple equity situation. The Montana Department of Livestock inspects 47 facilities -- 13 slaughter plants and 34 meat processing facilities -- using a methodology judged by USDA to be equal to federal inspections. Foreign facilities also receive the USDA stamp of approval, but are not similarly constrained when they export products to the United States. The Montana Department of Agriculture has a program to assist in the international marketing of livestock and meat products. It makes no sense for Montana-inspected products to be placed at a disadvantage to foreign competitors.

The two bills introduced in the 109th Congress were not acted upon, for whatever reason, in the election-interrupted final days of the session. There were many willing co-sponsors for Senate Bill 3519 and House Resolution 6130, and the National Association of State Departments of Agriculture (NASDA) expects no difficulty in getting one or both measures introduced again. A coalition of forty-one state and national organizations supported the bills, including the Montana Chamber of Commerce, the American Farm Bureau and R-Calf United Stockgrowers of America. There are some wording challenges that need to be worked out to secure the broadest possible support, for example: whether state laboratories must adhere to all the paperwork requirements of federal labs. NASDA is confident those issues can be resolved.

I appreciate your consideration and urge your support of House Joint Resolution 17.